

A global port leading the industrial progress of Korea

# **Port of Gwangyang**

# Gwangyang port is located at the center of the world trade.

We are pursuing far-reaching goals to support our central economic role.





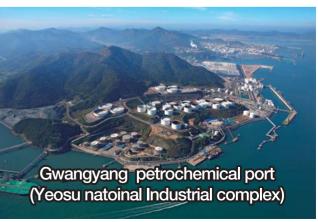
## Gwangyang port is leading the industrial progress of Korea.

We are a global hub port providing value-added services to customers through our terminals which handle containers, oil, gas, petrochemicals, steel and wheeled cargo.

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#### Introduction to Yeosu Gwangyang Port













The Joseon Dynasty. Jeolla Jwasuyeong (Military camp of Admiral Yi Sun—sin)

1923 Opened Yeosu Port

Apr. 17, 1969 Opened Samil Port

Dec. 5, 1986 Opened Gwangyang Port (\*\*Integrating Samil Port)

Oct. 14, 1991 Designated as Trading Port (Yeosu Port)















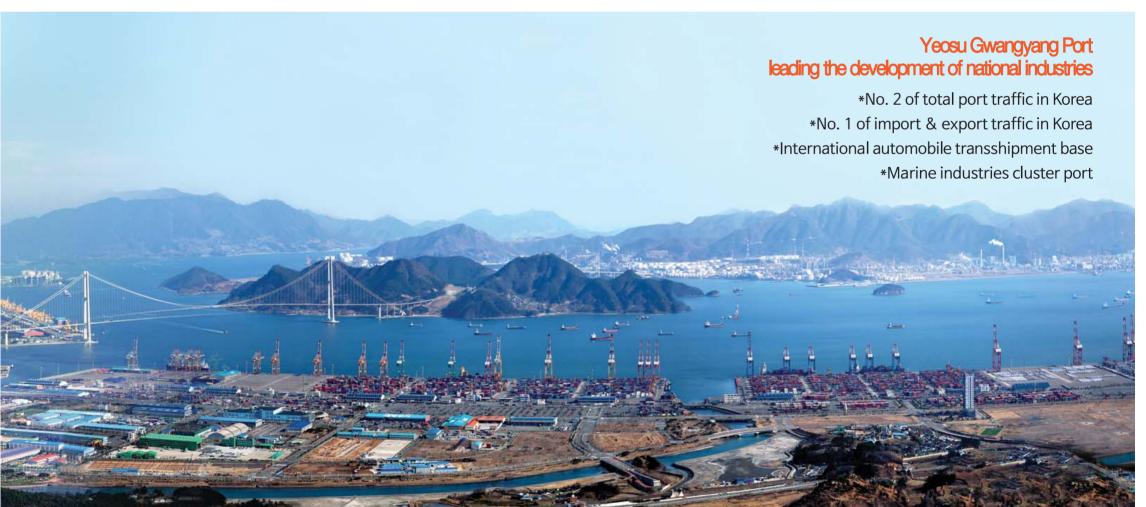
Dec. 1997 Completed the stage 1 of Gwangyang Port Container Terminal

Oct. 2003 Designated as Free Economic Zone

Jul. 2007 Made the first completion of the stage 3 of Gwangyang Port Container Terminal

Aug. 192011 Launched Yeosu Gwangyang Port Authority

May 2012 Held 'International Exposition Yeosu Korea'







#### Purpose of establishment

Grow Yeosu Port and Gwangyang Port as a marine logistics base and contribute to national economic development

#### History of the authority establishment

Apr. 29, 2011 Passed the bill of Korea Container Terminal Authority Act Repeal in National Assembly

May 18, 2011 Proclaimed the Act of Korea Container Terminal Authority Act Repeal

Aug. 11, 2011 Amended Enforcement Decree of Port Authorities Act

Aug. 19, 2011 Launched Yeosu Gwangyang Port Authority

#### **Main functions**

Develop, manage, and operate port facilities

Organize, manage, and operate port hinterlands

Survey, research, technologically develop ports and perform the project to raise human resources

Perform national or local government projects of port organization and operation

Feature	Features of Yeosu Gwangyang Port				
Administrative district	The whole areas of Gwangyang-si, Yeosu-si, and Suncheon-si of Jeollanam-do and Namhae-gun and Hadong-gun of Gyeongsangnam-do				
Geopolitical	Located in the main sea route of global trade connecting America, Europe, and Asia				
Natural condition	Natural port which has a deep depth of water (up to 45m) and can secure calm water				
Features	Serving as a global port associated with the industry of processing cargos of petrochemical (Yeosu Industrial Complex), steelmaking (POSCO), and container (Container Terminal)				

#### | Information on Facilities (Terminals) of Yeosu Gwangyang Port

Туре	No. of terminals	No. of ships	Terminal length (m)	Cargo handling capacity
Total	39	103	24,238	308,310,000ton/3,840,000TEU
Yeosu Port	2	2	692	
Gwangyang Port	37	101	23,546	308,310,000ton/3,840,000TEU
General Terminal	36	89	19,846	and the second
Container Terminal	1	12	3,700	

#### Information on Traffic Volumes of Yeosu Gwangyang Port

2016	2017	Remarks
285	294(3.2% †)	No. 2 in Korea (No.1: Busan, 401 millionton)
218	222(2.0% † )	No. 1 in Korea (No.2: Ulsan, 177 millionton)
129	132(2.2% † )	No.2inKorea (No.1:Ulsan,140millionton)
76	81 (6.0% † )	No.1 inKorea (No.2: Pohang, 42 millionton)
225	223(0.7% \ )	No.3inKorea (No.1:Busan, No.2:Incheon)
103	94(8.1%↓)	No. 2 in Korea (No.1: Pyeongtaek, 1,270,000 units)
	285 218 129 76 225	285 294(3.2%†) 218 222(2.0%†) 129 132(2.2%†) 76 81(6.0%†) 225 223(0.7%↓)

#### Vision

A global port leading the industrial progress of Korea

The Port of Gwangyang has become an integrated logistics hub and is the No.1 Korean port by import / export volume









#### Gwangyang Port continues to grow

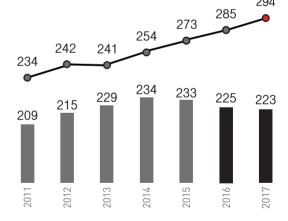
Gwangyang Port is the No. 1 port in Korea in terms of export and import cargo volume, the second largest for total cargo and the second largest handler of wheeled cargo. We have become a comprehensive global logistics hub handling containers, petrochemicals and steel products as well as all forms of general cargo. Located at the heart of Northeast Asia we have a competitive advantage in the provision of infrastructure and also offer attractive regulatory relief and a business-friendly environment through the Korea Free Economic Zone. As a leader of FEZ, we are forecast to handle 3.5 million TEU by 2025 by offering world class port services.

**─** Gwangyang Port's Total Cargo Volume (million RT)

Gwangyang Port's Container Cargo Volume (10,000 TEU)

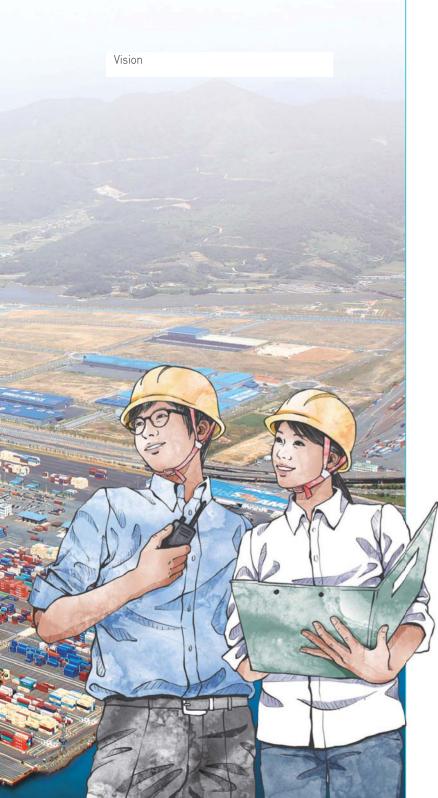
293,849,000rt

2,233,000<sub>TEU</sub>



#### Gwangyang Port's Total Cargo Volume & Container Cargo Volume

	1st phase (2016) Preparations for Stable Growth	2nd phase (2020) Capacity Building and Full-fledged Growth	3rd phase (2025) A global port leading the industrial progress of Korea
Total Volume	285million RT	320million RT	370million RT
Container Volume	2.25million TEU	2.94million TEU	3.5million TEU





**BIG & WIDE** 

 $20,000+_{TEU}$ 

The world's largest container ships berth at Gwangyang port

With an approach channel of over 20m water depth, 17m depth alongside the quay and cranes with an outreach of 24 containers Gwangyang Port offers a world class container terminal operation for 20,000+ TEU container ships.



Gwangyang Port is extensive







### Unloading is possible for 360 days a year.

With calm waters allowing loading and unloading for more than 360 days each year, 20m deep natural approach channel and 17m water alongside berth, this permits access for mega-sized container ships 20,000+ TEU and 400,000 DWT ships.

#### 103 Berths

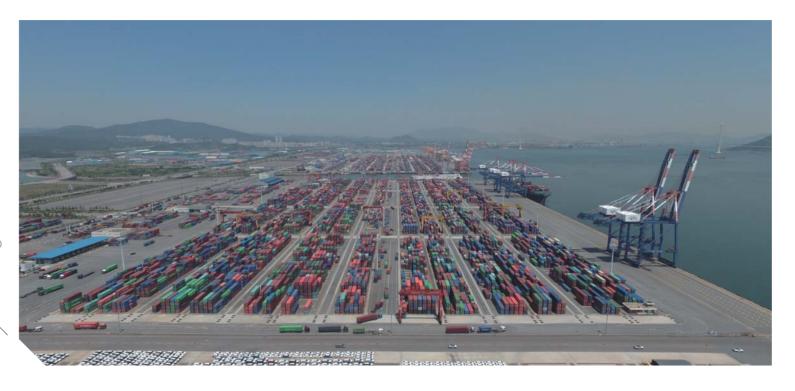
Gwangyang Port, has a waterside area of 111.4km² and a total of 103 berths. It is capable serving 60,000 vessels per year from container ships to oil tankers, chemical carriers and LNG carriers.

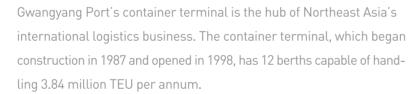
#### Gwangyang Port's Container Terminal

Handling capacity

3.84 million TEL

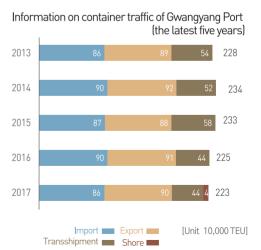
Gwangyang Port is designed to maximize hinterland links and integrate container handling operations.





Gwangyang Port's container terminal has an established global network of shipping companies and the terminal and port environs are located in the Free Trade Zone to further strengthen the port's business offering.







#### POSCO Gwangyang Steel works terminal

75 million tons
Cargo Handling Capacity

Gwangyang POSCO Steel works terminal was established in 1986 to support companies operating in the Gwangyang national industry complex including POSCO Steel works.

POSCO Gwangyang Steel Works, which began with only 3 berths in December 1986 now operates 13 wharves and 24 berths with an annual capacity of 75 million tons. Current development plans to be completed by 2020 include a dredging project to increase maximum vessel size to 400,000 tons.

Gwangyang Steel works is the largest steel-making plant in the world, covering a total area of 1.857 million m², with an annual production capacity of 18 million tons in 5 blast furnaces overtaking Pohang Steelworks' output of 16 million tons.



Steel Products wharf 11 berths [50,000 × 1/30,000 × 4/ 20,000 × 1/5,000 × 5]



Raw material Pier& CTS wharf 7 berths [250,000 × 2/ 200,000 × 3/70,000 × 1/30,000 × 1]



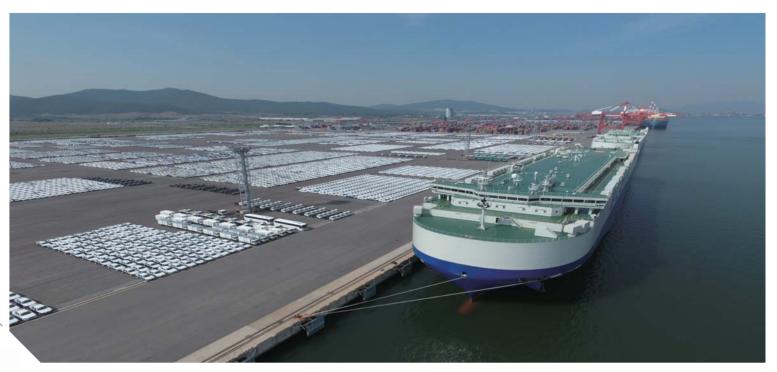
RO-RO wharf 2berths[20,000×2]



LNG wharf 1berth[80,000×1]

## Automobile Terminal of Gwangyang Port

Annual processing capability of automobile cargo
Automobile Terminal of Gwangyang Port grows to an international automobile transshipment base that handles automobile cargo transshipment of one million automobiles annually.





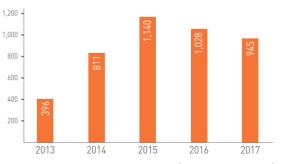
Since 2004, the traffic volume of automobile cargo processed in Gwangyang port has been increased and has come to about one million automobiles in 2015.

In the past, a conventional container terminal was used temporarily for automobile cargo. Now, the terminal for automobile cargo only is operated.

The terminal secures the largest capability of processing up to 36,000 automobiles domestically and grows to an international automobile transshipment base.

(No.2 of automobile cargo process in Korea as of 2017)

#### No. of automobile cargo processes in the latest five years



[Unit: 1,000 automobiles]





# Petrochemical terminal

170 million tons
Cargo Handling Capacity

Petrochemical terminal is a hub port for the local petrochemical industry transporting raw materials and products for Yeosu Petrochemical Complex which represents 56% of domestic petrochemical production

Since opening in April 1969, the terminal has been the gateway of the Yeosu national industrial complex and the largest domestic concentration of heavy chemical industries in Korea. The Petrochemical terminal has 20 wharves, 45 berths, and an unloading capacity of 190 million tons a year. Annual throughput in 2016 totaled 138 million tons, which includes 55 million tons of petroleum, and 63 million tons of petroleum refinement, chemical product, fertilizer and coal. It is the largest domestic petrochemical terminal along with Ulsan Port. Facilities will continue to expand to support the increasing volumes of production volume planned for the Yeosu national industrial complex.



U-1 Entry and departure pier 1 berth [300.000 × 1]



Crude oil pier 3 berths  $[280,000 \times 1/250,000 \times 1/120,000 \times 1]$ 



Sapo pier 2 berths [100,000 × 2]



Petrochemical terminal 2berths[10,000×2]

Petrochemical terminal has diverse logistic networks with 20 wharves.

#### The Project of Establishing Marine Industries Cluster of Gwangyang Port

The marine industry has a very high potential of future growth and its ripple effect is huge. By establishing the cluster supporting the marine industry with high-added value in terms of policy, Gwangyang Port will become the base for the development of the Korean marine industry.



- · Location: the whole areas of Joong-dong and Doi-dong of Gwangyang-si
- · Area: 287,883.5 m²
- -Joongma General Wharf: 78,465.5 m2
- · Project period: 2017 to 2019
- · Total cost; KRW 13,835 million

Land is based on limited regions, whereas the ocean has an infinite development potential for securing new resources and improving national competency. In addition, the marine industry with high-added value is highly likely to grow and its ripple effect is huge. For this reason, the marine industry draws global attraction.

Most of main marine countries like France and Island establish a spatial and systematic cluster for promoting the marine industry and intensively support relevant businesses. However, Korea has insufficient industrial ecology for promoting the marine industry. Therefore, -Stage 1 and No.4 ship of container terminal: 209,414 m² more needs are on the rise. Marine Industries Cluster of Gwangyang Port was established in order to meet the needs.

> Gwangyang Port Cluster will be able to help to create an intensive and concentrated venue of businesses and support policies so as to enhance the competitiveness of the marine industry. In particular, by designating 'maritime & port logistics R&D project' as a core one, it is possible to improve the global position of the Korean maritime and port industry.



#### Yeosu New Port, New North Port

This new port will be established near the existing Yeosu New Port to promote international maritime tourism and is set to become the key destination for cruise ships and related tourism on the southern coast of Korea.

**Location :** northern breakwater of the Yeosu New Port, Deokchung-dong, Yeosu City

#### Construction scale:

breakwater 1,121m, revetment 149m, coast guard wharf 500m lower, lighter wharf 130m, administrative service wharf 473 m

Project Period: 2012~2019

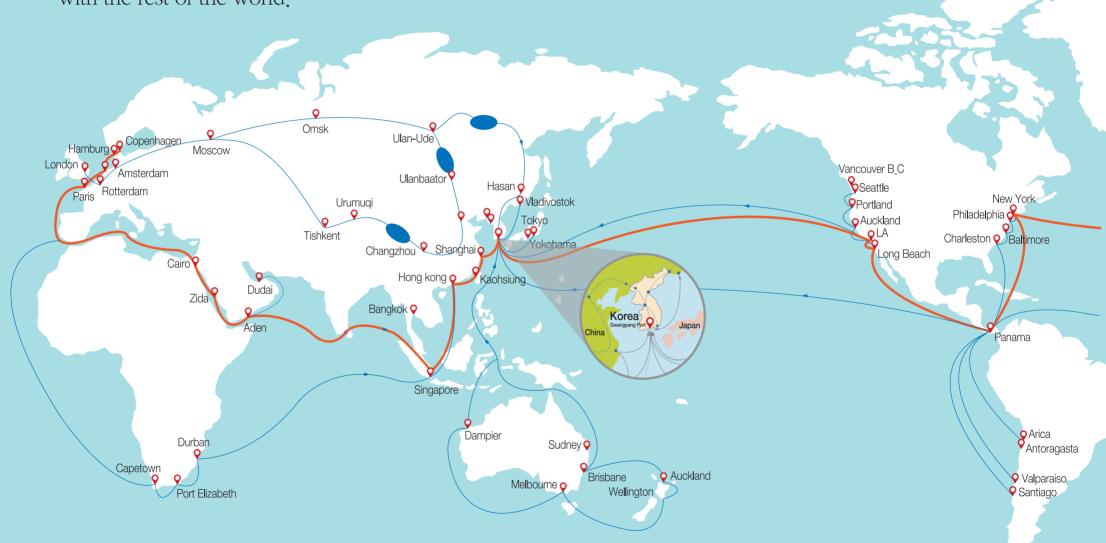
Yeosu New Port is the 100-year-old trade port of Yeosu with an annual traffic of 12,000 vessels. As a result of expansion to support the 2012 Yeosu Expo, it now has 8 berths (up to 6,000 DWT) and 1 berth for 150,000 ton ships. It is an environment-friendly port serving the dual functions of the port and the city.

The Yeosu New North Port is an alternative to the Yeosu New Port, parts of which were developed for the Expo 2012 Yeosu. The port will have outer facilities that include a 1,121m breakwater and a 149m revetment to provide sheltered berthing, a 473m administrative service wharf, a 500m coast guard wharf and supported by waterfront infrastructure and tourist facilities. Wharfs and vessels for tourism and administration will be well dispersed to provide a pleasing environment whilst efficiently integrating maritime administrative services for vessels entering and departing the Yeosu Port and Gwangyang Port.

This new development will build upon the 100-year-old trade port tradition of Yeosu to make it a center for marine tourism and transport on the southern coast.

Various service routes

Gwangyang Port is a logistics business hub connecting Northeast Asia with the rest of the world.



#### **GLOBAL PORT**

122,290,60,000

Port Connection / Million tons Handles / Ship Calls

<u>Situated on main deep-sea and short-</u> sea trade routes

2 million TEU handled annually for last 7 years



Gwangyang port is located at the center of world trade

With 103 berths including 12 deep-sea container berths Gwangyang Port has an excellent geographical advantage situated along the main trade routes linking Asia, North America and Europe, as well as short-sea trades with northern China and Japan. Gwangyang Port's container terminal hinterland is serviced by road and rail making inland container movements fast and efficient.

#### Global Connection to 122 major ports in the world

Category	Distance (km)	Travel time (h)
The United States (L.A.)	9,892	213.6
Hong Kong	2,095	45.2
Singapore	4,554	98.4
Europe (Rotterdam)	19,866	429.1
Japan (Kobe)	798	17.2



#### Competitiveness

Convenient Transport Infrastructure

Gwangyang Port

It has a solid foundation to lead the new wave of

logistics in Northeast Asia.



World class dedicated container terminal (2,230,000TEU throughput in 2017)



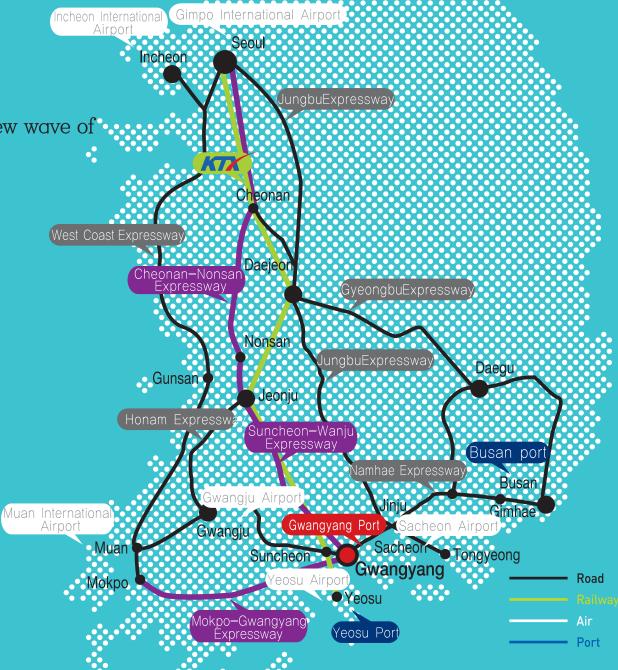
Railway Connected to Metropolitan Area by KTX (Within 2 hours of Seoul)



Road Connected to 5 Expressways
[Within 4 hours of Metropolitan Area]



Air 4 airports within 1 hour (Gwangju, Muan, Yeosu, Sacheon)



Location: Whole area of Yeosu-Suncheon, Gwangyang and Gyeongnam Hadong County

#### CONVENIENT

 $304_{km \, or} \, 3_{hours}$ 

From Seoul & its Metropolitan Area to Gwangyang port

Good connections to inland transport

networks serving all regions of Korea makes

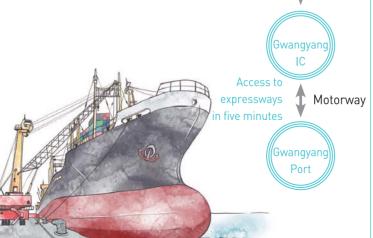
Gwangyang an ideal logistics hub to serve

the nation efficiently and cost effectively.

Seoul tollgate

About Three hours 10 minutes to downtown





Gwang Port is slose



Gwangyang Port has a perfect transportation infrastructure combined with land-sea-air transportation system.

Gwangyang Port has excellent transportation infrastructure combining land, sea and air to provide a comprehensive multimodal transport network allowing quick and efficient inland connections throughout Korea.

Roads Three expressways, eight highways and eighteen local roads directly link to Gwangyang Port enabling reliable road movement throughout the day to all key centers in Korea.

Airports Yeosu Airport, near the Yulchon Industrial Complex as well as Gwangju, Muan, and Sacheon airports are all accessible within one hour of the port.

Railways A port rail link gives direct access to the north-south Jeolla Line and the east-west Gyeongjeon Line.

The Gwangyang jecheol Freight Line has reduced travel times to less than 2 hours to the Metropolitan Area via the Yeochen Line (industrial railway). Added to which the city is served by high speed KTX and express passenger services which following an upgrade in 2015 makes Seoul a 1.5 hours journey time.

# Incentive Systems of Gwangyang Port

Yeosu Gwangyang Port Authority supports

a variety of customized incentive systems

for Gwangyang Port users including

ship owners and shippers and

provides the best logistics business environment.



#### Incentive Systems for Ship Owner

Target	Туре	Description	Remarks
	Increment cargo	Performance of container increment of the year	_
Ship owners	Shuttle cargo between terminals	Performance of container cargo using inter-terminal shuttle	_
	Route opening & maintenance	New opened route in 2018 (by order of arrival)	_

#### Incentive Systems for Operators

Target	Туре	Description	Remarks
Operators -	Target traffic	Container cargo of the year processed in Gwangyang Port	
	Tramp	Tramps of the year called at Gwangyang Port	_

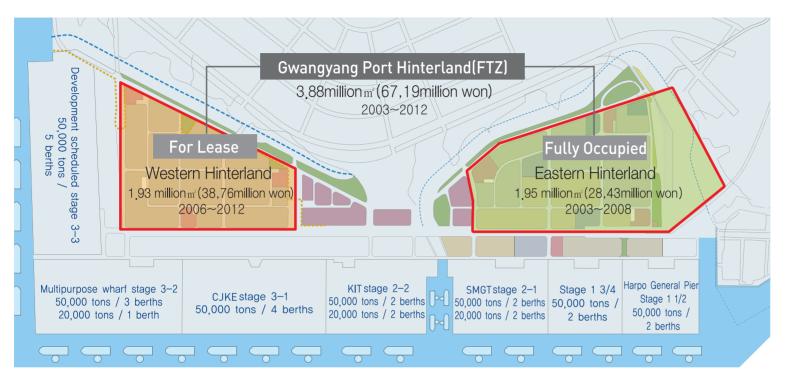
#### Incentive Systems for Forwarders and Shippers

Target	Туре	Description	Remarks
Forwarders &	Forwarders & Shippers	Increased import & export container cargo of the year from the reference traffic volume	_
Shippers	North Pole Route	North Pole Route volume incentive	_

#### Incentive Systems for Automobile Cargo

Target	Туре	Description	Remarks
Automobiles	Automobile cargo	Achievement rate for the target performance reference of the year	_

For more details, contact Global Marketing Team +82-61-797-4548



#### Gwangyang Port Hinterland

 $3.88_{\text{million }m^2}$ 

Hinterland Area

We offer an ideal port cluster that combines manufacturing, such as processing and assembly, with international logistics and the city function.

#### Gwangyang Port Hinterland rent

Condition	Rent	Period
Basic Rent	For regular tenants per month m² 258 won	
Preferential Rent	129 won / $m^{\circ}$ monthly. (Company to engage in free trade areas logistics industry act)	3 years
Posted Price Rent	Tenants failing to meet the original rental terms will be charged a maximum of the posted price x 50/1,000	

<sup>※</sup> Rental Period: 50 years (Act on Designation and Management of Free Trade Zones Article 17, paragraph 3)

#### Port Hinterland Occupancy Benefits

Rent Reduction Application In the case of foreign-invested enterprises

Building rental warehouse complex

Foreign investment more than USD 500 million 1,000 million higher rent 50% for 3 years

Building rent property value of 1.5% [applicable period 3 years]

#### Eligibility

- Those who operate business under Act on designed and management of free trade zones Article 10&Enforcement decree of the act on designation management of free trade zones Article 7
- When satisfying the criteria of enforcement decree of the foreign investment promotion act2, paragraph 2 [foreign invested company registration certificate]
- When having foreign investment ratio of at least 10% and foreign investment is 100 million won or higher wages lead Foreign-invested enterprises (foreign invested company registration certificate)



#### FREE ECONOMIC ZONE

 $69.23_{km^2}$ 

Gwangyang Bay Area Free Economic Zone

Gwangyang Bay Area Free Economic Zone offers a business-friendly environment equipped with competitive industrial infrastructure, a deregulated business environment and generous government support. These combine with the central geographical location of Gwangyang to make the GFEZ a perfect center for logistics and shipping services for Northeast Asia.



Gwangyang Bay Area Free Economic Zone (GFEZ) was planned in October 2003 in response to the rapidly growing Northeast Asian market. The GFEZ covers a vast area of 69.23km² consisting of the Gwangyang area including Gwangyang port's container terminal as well as Yeosu, Suncheon, Gwangyang City and Hadong-gun. Five districts have been developed consisting of Gwangyang district, Yulchon district, Sindeok district, Hwayang district and Hadong district. The GFEZ is growing into a key hub for Northeast Asian business with well established infrastructure related to logistics, manufacturing, housing, tourism and wide-ranging administrative support. Incentives are offered to companies investing in Gwangyang port hinterland such as lower rent and stable lease period.

Development Districts	Strength	Targeted Industries to be Attracted
Gwangyang (logistics, steel-related, 13.63 km²)  Yulchon (manufacture, production-related, 27.79km²)  Sin-deok (housing, education and health care, 9.01km²)  Hadong (housing, production and tourism, 9.63km²)  Hwayang (tourism, resort, leisure sports, 9.17km²)	Fully equipped with logistics infrastructure such as Gwangyang port and Yeosu airport     Site of POSCO global steel company     Operation of Yeosu national petrochemical complex     Art village, rich culinary culture and cultural and natural heritage	Shipping logistics, logistics center, shipbuild- ing, steel & chemical-related manufacturing, leisure & tourism-related industries



#### Tax Incentives for the Free Economic Zone

- $\cdot$  For USD10 million investment in manufacturing and tourism  $\,$  and USD 5 million investment in logistics
- Full exemption from income tax and corporate tax for three years and 50% exemption for an additional two years
- · Full exemption from acquisition tax and property tax for fifteen years





- · Tax exemption for imported capital goods
- Subsidy of education costs of 500,000 won per head monthly
- $\cdot$  Subsidy of facilities costs up to 5% of the amount exceeding 2 billion won
- $\cdot$  Subsidy of up to 50% of consulting fees

#### Supporting Infrastructure

# World Marine Center (Yeosu Gwangyang port authority)

Business support and hinterland support facilities

 $18,000_{m^2}$ 

Total Area



The World Marine Center is an integrated business center where one stop logistics and public administrative services related to marine port are provided

CIQ organizations, educational facilities, offices, banks, restaurant and international conference rooms

#### Gold Logistics Center

Logistics center specified for lease to foreign invested companies

44,000<sub>m²</sub>

Total Area



As well as offering the traditional storage and delivery functions of a CFS, it provides value adding logistics services by diversifying into - classification, assembly, processing and exhibitions.

Storage, assembly, processing, delivery /warehouse, container storage yard and office.

# Empty Container Storage Yard

Yards for empty containers Supplmentary CY in container terminals

38,000 TEU

Storage Capacity



Having been built as a supplementary container yard to meet the ever increasing container volume and to reduce the imbalance between the supply and demand of empty containers, the empty container storage yard contributes to lower logistics costs and the smooth, competitive operation of the Gwangyang Port .

Used by terminal and shipping companies/Total Area of 556,200 m<sup>2</sup>

# Warehouse for IMDG Containers

hazardous material warehouse  $2,452\,\mathrm{m}^2$ , outdoor storage  $2,320\,\mathrm{m}^2$ , office  $393\,\mathrm{m}^2$ 

 $5,165 \text{m}^2$  Total Area



There is a warehouse near the Gwangyang Port that stores hazardous material such as explosives (type 1 to 9), flammable liquids, and corrosive and oxidative substances which are generated from the adjacent Yeosu National Industrial Complex.

There are 3 hazardous material buildings, a high-pressure building, an outdoor storage, offices, roads, and parking lots.

#### International Logistics Center

LCL Cargo wheeled Cargo(CKD, SKD) center

33,000<sub>m²</sub>

Total Area



An international logistics center handling LCL cargo to be redistributed all over the world. Designed to attract transshipments from China and Japan, thereby diversifying the cargo origins of Gwangyang Port

Storage, classification, processing, exhibition, sale /(warehouse building 10,000 m², container storage yard 23,000 m²)

#### Truck Drivers Rest Area

Container Vehicle
Parking Lots and
Driver's Lounge

59,446m²

Total Area



As the nation's first multi-functional rest area for freight truck drivers working at the forefront of the logistics industry, it provides a comprehensive service, including vehicle maintenance and freight transport business, thereby improving the welfare of drivers who use the container terminal. \*Eastern and Western Hinterland each have a rest area

Sauna, sleeping room, shower room, laundry room, convenience store, car washing, and container washing etc.

#### Gwangyang Port Cold Storage

**Hub of Cold Cargoes** 

4,933<sub>m²</sub>





Supporting the steady increase in volume of refrigerated and frozen cargoes with transport services, such as storage, processing, packaging and labeling.

Storing and processing of refrigerated and frozen cargoes

#### Gwangyang Port Railroad Yard

An Essential Infrastructure for Enhancing Transport Efficiency and Reducing Logistics Costs

740,000 тей

Storage capacity



The railroad yards are operated by the CJ Korea Express Corporation, with 16 tracks East and West and total area are  $237,469\,\mathrm{m}^2$ .

Railroad transport and unloading

Storage capacity: East 360,000TEU, West 380,000TEU

# Gwangyang

Port

Expecting a better tomorrow.

Doing our utmost for your future.



Gwanyang Port is your reliable partner.

# Gwangyang Bay is your complete solution



